

## General Assembly

## Raised Bill No. 6468

January Session, 2013

LCO No. 3512



Referred to Committee on COMMERCE

Introduced by: (CE)

AN ACT REPEALING HIGH PERFORMANCE WORK ORGANIZATION PROGRAMS AND THRESHOLD PROJECT REQUIREMENTS IN THE PROVISION OF FINANCIAL ASSISTANCE BY THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT AND CONNECTICUT INNOVATIONS, INCORPORATED.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Subsection (a) of section 10-95f of the general statutes is
- 2 repealed and the following is substituted in lieu thereof (Effective July
- 3 1, 2013):
- 4 (a) Whenever the term "regional vocational-technical school" or
- 5 "regional vocational-technical schools" is used or referred to in the
- 6 following sections of the general statutes, the term "technical high
- 7 school" or "technical high schools" shall be substituted in lieu thereof:
- 8 4-124ff, 4a-11a, 4d-83, 5-275, 8-265pp, 10-9, 10-19d, 10-19e, 10-21g, 10-
- 9 66p, 10-67, 10-74d, 10-76q, 10-95a, 10-95j, 10-95n, 10-95o, 10-97, 10-98a,
- 10 10-233d, 10-235, 10-264*l*, 10-283, 10-287d, 10a-55e, 10a-55g, 10a-72d,
- 11 17b-610, 31-3c, 31-3h, 31-3k, 31-11p, 32-4i [,] <u>and</u> 32-6j. [and 32-475.]
- 12 Sec. 2. Subdivision (3) of subsection (a) of section 32-1m of the

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- general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2013*):
- 15 (3) An analysis of the economic development portfolio of the department, including:
- 17 (A) A list of the names, addresses and locations of all recipients of 18 the department's assistance;

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- (B) The following information concerning each recipient of such assistance: (i) Business activities, (ii) standard industrial classification codes or North American industrial classification codes, (iii) number of full-time jobs and part-time jobs at the time of application, (iv) number of actual full-time jobs and actual part-time jobs during the preceding state fiscal year, (v) whether the recipient is a minority or womanowned business, (vi) a summary of the terms and conditions for the assistance, including the type and amount of state financial assistance, job creation or retention requirements and anticipated wage rates, (vii) the amount of investments from private and other nonstate sources that have been leveraged by the assistance, (viii) the extent to which employees of the recipient participate in health benefit plans offered by such recipient, (ix) the extent to which the recipient offers unique economic, social, cultural or aesthetic attributes to the municipality in which the recipient is located or to the state, and (x) the amount of state investment;
- (C) A portfolio analysis, including (i) an analysis of the wages paid by recipients of financial assistance, (ii) the average portfolio wage, median portfolio wage, highest and lowest portfolio wage, (iii) portfolio wage data by industry, and (iv) portfolio wage data by municipality;
- (D) An investment analysis, including (i) total portfolio value, (ii) total investment by industry, (iii) portfolio dollar per job average, <u>and</u> (iv) portfolio leverage ratio; [, and (v) percentage of financial assistance which was provided to high performance work organizations in the

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44 preceding state fiscal year;] and

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personal income.

- 45 (E) An analysis of the estimated economic effects of the 46 department's economic development investments on the state's 47 economy, including (i) contribution to gross state product for the total 48 economic development portfolio and for any investment activity 49 occurring in the preceding state fiscal year, (ii) direct and indirect 50 employment created by the investments for the total portfolio and for 51 any investment activity occurring in the preceding state fiscal year, (iii) 52 productivity of recipients of financial assistance as a result of the 53 department's investment occurring in the preceding state fiscal year, 54 (iv) directly or indirectly increased property values in the 55 municipalities in which the recipients of assistance are located, and (v)
- Sec. 3. Subsection (a) of section 32-7f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July* 59 1, 2013):
- 60 (a) The Commissioner of Economic and Community Development 61 shall establish an economic development grants program to provide 62 grants for the following programs and purposes:
- 63 (1) To develop a small business incubator program to entities 64 operating incubator facilities, as defined in section 32-34;
- (2) To promote, retain and expand hydrogen and fuel cell industriesin Connecticut;
- 67 (3) To promote supply chain integration and encourage the adoption of digital manufacturing and information technologies;
- [(4) To provide training for small and medium-sized businesses in high-performance work practices;]
- 71 **[**(5)**]** (4) To support the development of marine science, maritime and homeland security defense industries;

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- 73 [(6)] (5) To promote research innovation and nanotechnology; and
- 74 [(7)] (6) To provide technical assistance to small business owners.
- 75 Sec. 4. Subsection (a) of section 32-11f of the general statutes is
- 76 repealed and the following is substituted in lieu thereof (Effective July
- 77 1, 2013):
- 78 (a) (1) Wherever the term "Connecticut Development Authority" is
- 79 used in the following sections of the general statutes, the term
- 80 "Connecticut Innovations, Incorporated" shall be substituted in lieu
- 81 thereof: 3-24d, 3-24f, 3-99d, 8-134, 8-134a, 8-192, 8-192a, 8-240m, 13b-
- 82 79w, 16-243v, 22a-134, 22a-173, 22a-259, 22a-264, 25-33a, 32-1*l*, 32-3, 32-
- 83 4*l*, 32-6j, 32-9c, 32-9n, 32-9cc, 32-9kk, 32-9ll, 32-9qq, 32-22b, 32-23*l*, 32-
- 84 23o, 32-23q, 32-23r, 32-23s, 32-23t, 32-23v, 32-23x, 32-23z, 32-23aa, 32-
- 85 23qq, 32-23ss, 32-23tt, 32-31a, 32-61, 32-68a, 32-141, 32-222, 32-223, 32-
- 86 227, 32-244, 32-244a, 32-262, 32-263, 32-265, 32-266, 32-285, 32-341, [32-
- 87 477,] 32-500, 32-503 and 32-609.
- 88 (2) Wherever the term "authority" is used in the following sections
- 89 of the general statutes, the term "corporation" shall be substituted in
- 90 lieu thereof: 32-14, 32-15, 32-16, 32-16a, 32-17a, 32-18, 32-19, 32-22, 32-
- 91 22a, 32-23a, 32-23j, 32-23o, 32-23p, 32-23q, 32-23r, 32-23s, 32-23v, 32-
- 92 23x, 32-23y, 32-23z, 32-23bb, 32-23ii, 32-23jj, 32-23kk, 32-23ll, 32-23qq,
- 93 32-23ss, 32-23tt, 32-23uu, 32-23vv, 32-31a, 32-61, 32-62, 32-63, 32-64, 32-
- 94 65, 32-67, 32-68a, 32-262, 32-263, 32-265, 32-267, 32-269, 32-270, 32-271,
- 95 32-272, 32-280, 32-282, 32-285, 32-341, 32-356, 32-500, 32-503, 32-717 and
- 96 32-718.
- 97 Sec. 5. Section 32-41r of the general statutes is repealed and the
- 98 following is substituted in lieu thereof (*Effective July 1, 2013*):
- This section, section 32-40, subsection (a) of section 32-41q, and
- sections 32-41s [,] <u>and</u> 32-229 [and 32-450] shall be known and may be
- 101 cited as the "Economic Recovery Act of 1996".

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Sec. 6. Subsection (b) of section 32-235 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July* 1, 2013):

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(b) The proceeds of the sale of said bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Department of Economic and Community Development (1) for the purposes of sections 32-220 to 32-234, inclusive, including economic cluster-related programs and activities, and for the Connecticut job training finance demonstration program pursuant to sections 32-23uu and 32-23vv, provided (A) three million dollars shall be used by said department solely for the purposes of section 32-23uu and not more than five million two hundred fifty thousand dollars of the amount stated in said subsection (a) may be used by said department for the purposes of section 31-3u, (B) not less than one million dollars shall be used for an educational technology grant to the deployment center program and the nonprofit business consortium deployment center approved pursuant to section 32-41l, (C) not less than two million dollars shall be used by said department for the establishment of a pilot program to make grants to businesses in designated areas of the state for construction, renovation or improvement of small manufacturing facilities, provided such grants are matched by the municipality or another financing The business, Commissioner of Economic and Community Development shall designate areas of the state where manufacturing is a substantial part of the local economy and shall make grants under such pilot program which are likely to produce a significant economic development benefit for the designated area, (D) five million dollars may be used by said department for the manufacturing competitiveness grants program, (E) one million dollars shall be used by said department for the purpose of a grant to the Connecticut Center for Advanced Technology, for the purposes of subdivision [(5)] (4) of subsection (a) of section 32-7f, as amended by this act, (F) fifty million dollars shall be used by said department for the purpose of grants to the United States

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- 135 Department of the Navy, the United States Department of Defense or 136 eligible applicants for projects related to the enhancement of 137 infrastructure for long-term, on-going naval operations at the United 138 States Naval Submarine Base-New London, located in Groton, which 139 will increase the military value of said base. Such projects shall not be 140 subject to the provisions of sections 4a-60 and 4a-60a, (G) two million 141 dollars shall be used by said department for the purpose of a grant to 142 Connecticut Center for Advanced Technology, Inc., for 143 manufacturing initiatives, including aerospace and defense, and (H) 144 four million dollars shall be used by said department for the purpose 145 of a grant to companies adversely impacted by the construction at the 146 Quinnipiac Bridge, where such grant may be used to offset the increase 147 in costs of commercial overland transportation of goods or materials 148 brought to the port of New Haven by ship or vessel, and (2) for the 149 purposes of the small business assistance program established 150 pursuant to section 32-9yy, provided fifteen million dollars shall be 151 deposited in the small business assistance account established 152 pursuant to said section 32-9yy. The provisions of sections 32-220 to 153 32-234, inclusive, shall not apply to such funds authorized pursuant to 154 this subdivision.
- Sec. 7. Section 32-240 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2013*):
- 157 (a) As used in this section:
- 158 (1) "Commissioner" means the Commissioner of Economic and Community Development;
- (2) "Flexible manufacturing network" means a group of three or more private sector firms working cooperatively to (A) manufacture products, (B) sell, market, develop technologies for or create or disseminate information concerning manufactured products or (C) provide manufacturing support services or computer integrated manufacturing for such firms; and

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(3) "Manufacturing support services" means services utilized by manufacturers to improve productivity, including but not limited to, services related to quality, management, technology or product development, marketing or modernization.

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- (b) The commissioner shall award grants for the establishment of flexible manufacturing networks in the state. Such grants may be awarded to entities interested in establishing flexible manufacturing networks, including but not limited to, manufacturers, trade associations, unions, municipalities and nonprofit corporations.
- (c) The commissioner shall prepare and issue a request for proposals for flexible manufacturing network services. The request for proposals shall require each person, firm or corporation submitting a proposal to: (1) Indicate the manufacturing sector or sectors to be included in the network, (2) indicate the persons, firms and corporations expected to participate in the network, (3) identify common problems and needs of the network participants, (4) indicate the objectives of the network, which may include but shall not be limited to, sharing costs and risks, instituting joint worker training programs, sharing new machines and equipment, using management consultant and extension services, utilizing centralized administrative support, accessing public and funds private development and identifying new business opportunities, (5) identify the specific tasks that the network would undertake and (6) provide any other information deemed necessary by the Commissioner of Economic and Community Development.
- [(d) Not later than January 1, 1995, the commissioner shall report to the General Assembly on the amount of money that would be necessary to provide a grant to a flexible manufacturing network to enable the network to procure training for its participants in high performance work practices.]
- 195 Sec. 8. Sections 31-3v, 32-41j, 32-41k, 32-450 to 32-457, inclusive, and 196 32-475 to 32-480, inclusive, of the general statutes are repealed.

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## 197 (Effective July 1, 2013)

| This act shall take effect as follows and shall amend the following |              |                  |
|---|--------------|------------------|
| sections:   |              |                  |
|   |              |                  |
| Section 1   | July 1, 2013 | 10-95f(a)        |
| Sec. 2  | July 1, 2013 | 32-1m(a)(3)      |
| Sec. 3  | July 1, 2013 | 32-7f(a)         |
| Sec. 4  | July 1, 2013 | 32-11f(a)        |
| Sec. 5  | July 1, 2013 | 32-41r           |
| Sec. 6  | July 1, 2013 | 32-235(b)        |
| Sec. 7  | July 1, 2013 | 32-240           |
| Sec. 8  | July 1, 2013 | Repealer section |

## Statement of Purpose:

To repeal the threshold project and high performance work organization statutes and the associated statutorily-required reports.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

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